

**UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C.**

**Issued by the Department of Transportation  
on the 29th day of January 1997**

**LIAT (1974) Limited**

**Violations of 49 U.S.C. § 41301**

**CONSENT ORDER**

**This order concerns violations by LIAT (1974) Limited ("LIAT") of 49 U.S.C. § 41301, which requires foreign air carriers to maintain proper authorization to conduct scheduled and charter flights to and from the United States. LIAT, a foreign air carrier of Antigua and Barbuda, failed to maintain proper authorization from the Department to conduct such flights and thus violated 49 U.S.C. § 41301. This consent order directs LIAT to cease and desist from future violations and to pay a compromise civil penalty.**

**On July 24, 1996, LIAT's scheduled and charter foreign air carrier permit authority expired. On August 1, 1996, LIAT requested from the Department, and was granted, an exemption to re-instate the scheduled and charter authority for a period of one year. However, during the period July 25-31, 1996, after its authority expired, LIAT performed numerous scheduled and charter operations between Barbuda and San Juan or Miami, and operated several long-term wet-lease flights on behalf of Aerolineas Dominicana into the U.S. These operations were conducted without the requisite permit authority from the Department and were thus in violation of 49 U.S.C. § 41301.**

**In mitigation, LIAT states that the flights which it operated during the lapse of its exemption authority were inadvertent and that there was no intention on the part of the carrier to violate Department rules or federal statutes.**

**In order to avoid litigation and without admitting or denying the violations described above, LIAT has reached a settlement of this matter with the Enforcement Office. Under this order, LIAT consents to cease and desist from future violations of 49 U.S.C. § 41301 and to the assessment of a \$20,000 civil penalty in compromise of potential civil penalties otherwise assessable under the provisions of 49 U.S.C. § 46301. Of the**

assessed civil penalty, \$10,000 will be paid under the terms stated below. The remaining \$10,000 will be forgiven if LIAT refrains from further violations of the Department's applicable requirements for a period of one year following the issuance of this order. The Enforcement Office believes that the assessment of a civil penalty of \$20,000 in this instance is warranted in light of the nature and extent of LIAT's violations of Title 49. This order and the penalty that it assesses will provide a strong incentive for all foreign air carriers to fully comply with the requirements of 49 U.S.C. § 41301 in the future.

This order is issued under the authority contained in 49 CFR 1.57a and 14 CFR 385.22.

**ACCORDINGLY,**

- 1. Based on the above discussion, we approve this settlement and the provisions of this order as in the public interest;**
- 2. We find that LIAT (1974) Limited violated 49 U.S.C. § 41301 by conducting scheduled and charter service between Barbuda and the Dominican Republic and points in the U.S. without effective permit authority;**
- 3. We order LIAT (1974) Limited, to cease and desist from further violations of 49 U.S.C. § 41301, as described above; and**
- 4. LIAT (1974) Limited is assessed \$20,000 in compromise of civil penalties that might otherwise be assessed for the violations found in ordering paragraph 2 of this order. LIAT (1974) shall pay \$10,000 of this amount within 15 days of the date of issuance of this order by wire transfer through the Federal Reserve Communications System, commonly known as "Fed wire," to the account of the U.S. Treasury. The wire transfer shall be executed in accordance with the attached instructions. The remaining \$10,000 of the assessed civil penalty shall be suspended for one year from the date of issuance of this order and then forgiven unless LIAT (1974) Limited fails to make payments as directed by this order or, within that year period, engages in any other violation of the requirements described in this order, in which case the unpaid portion of the \$20,000 penalty shall become due and payable immediately. Failure to pay the penalty as ordered will subject LIAT (1974) Limited to the assessment of interest, penalty, and collection charges under the Debt Collection Act, and possible enforcement action for failure to comply with this order.**

**This order will become a final order of the Department 10 days after its service date unless a timely motion for review is filed or the Department takes review on its own motion.**

**BY:**

**ROSALIND A. KNAPP  
Deputy General Counsel**

**(SEAL)**